



A Recovery Plan for British Racing

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Introduction

Horseracing resumed on 1st June, the first major sport to do so. The protocols introduced to allow racing 'behind closed doors' have been followed in a disciplined way by participants. The regulatory and unified approach underpinning the measures is respected in government. It has put racing at the forefront of plans to readmit the public to sporting events. Working together works.

A fuller programme of racing will commence from September, with further increased support for prize money supported by the Horserace Betting Levy Board. Betting revenues and free-to-air television audiences have been strong. Racing's share of media coverage has increased due to its ability to resume ahead of other sports.

These are positive factors compared to other sports and industries as the country enters a recession which will get worse when government schemes to support jobs are withdrawn. No one is under any illusions about the challenges of weathering the economic storm ahead. Racecourse revenues will not get back to normal levels until there is a full return of crowds, for which there is no certain date at present.

This in turn impacts on prize money levels, from elite racing to the grassroots. At the top end, British racing's ability to compete internationally was already under pressure. Whilst for smaller owners, the rate of cost recovery on their expenditure has long been a concern. All this is exacerbated by government restrictions which mean owners cannot yet enjoy the full raceday experience, though racecourses are working to make this as good as it can be.

The industry's key goals are easy to express, but harder to achieve.

First, to put in place the best possible fixture programme for the year ahead, with as many spectators present as restrictions allow, and the best possible experience for owners. The case

for the earliest possible full resumption of our sport will be made loudly and clearly and is underpinned by the sport's safe return since June 1st.

Second, to weather the recession and keep the industry's cost-base as low as possible, retaining owners and key investors through targeted actions and support, being agile where opportunities to find new revenues can be seized. Making a case for immediate Levy reform.

Thirdly, to put the foundations in place for sustainable prosperity through a longer-term programme of work, much of which is already underway, but where the pace of change may need to slow as resources are focused on the short-term financial health of the industry.

Make no mistake, the leaders of British racing are determined to maintain and enhance our position as the home of the best racing in the world. We are committed to excellence, from the quality of our horses and breeding industry through to the unique social occasions where we celebrate the majesty and tradition of our sport. We will continue to make champions of horses, enriching their lives and ours, and keep racing at the heart of our national life.

Working Together

No crisis has tested racing so much in recent memory. The industry's most senior executives have already adapted the original COVID Response plan published on March 30th. From the first moment since racing resumed in June, the focus shifted to getting owners back on course and bringing back crowds.

Proposals were drawn up and accepted by government. Owners were allowed back, with restrictions, from the beginning of July. Racing was accepted as one of three sports to be awarded pilot events for crowds. Despite a temporary delay to all sporting pilots ahead of a proposed test event at Goodwood, the programme of pilots is expected to resume shortly.

A fixture programme for the rest of 2020 was agreed by the end of July. Tough choices had to be made about how best to use the Levy income to support prize money, but an agreement was brokered and accepted by the Levy Board. Minimum values returned to pre-Covid levels for the middle and grassroots tiers of racing, and to 75% for Class One and Heritage Handicaps.

All sports are under similar pressure. None has the perfect solution when not everyone can receive what they seek. British racing can manage conflicting arguments when it needs to. Its leaders represent their members interests, of course, but there is a shared commitment to achieve sustainable prosperity for the industry. This has been reaffirmed by the BHA's Members Committee, including senior representatives of the racecourses and horsemen, in agreeing and supporting this plan.

There was no better example of racing working together than the campaign to secure Levy Reform in 2017. The government was engaged in late 2019 with new proposals to reform the Levy and discussions have resumed in recent weeks. The BHA's Member bodies are clear that the case for reform has been further strengthened by the impact of COVID and by the implications of Brexit.

Maintaining the appeal of British racing to international investors with the means to move their horses and money rapidly to other racing nations is vital to the sustainable future of the industry. Immediate work is being commissioned which will underpin the case for extending the Levy to bets on international racing. It is vital that there is a level playing-field with other countries where competing racing jurisdictions already receive this revenue.

Expanding other revenue streams and adding new ones where possible, also has a critical place in helping racing weather the recession and be more agile in future. Work being commissioned by Members will look at a range of scenarios. The forthcoming review of the Gambling Act, the

legislation that governs betting in Britain, is an additional opportunity to ensure that Britain maintains a supportive environment for horseracing.

A Plan for Recovery

This is a successor to the British Racing [COVID 19 Operational Plan](#), published on 30th March, which has been constantly refreshed as new challenges have arisen. This is the right time to publish a new version, based on the current workstreams underway and to signal what work is planned over the next few months.

Previous workstreams, covering race-days, finance, people and equine welfare have continued. There are three new streams, building on work already underway. These cover firstly, the need to retain owners and key investors. Secondly, to ensure racing is well-placed to attract customers after successful pilot events have been held. Finally, the industry's Executive Committee is leading a stream of work on the longer-term foundations for prosperity.

This is a plan that has been developed by and will be led by industry leaders from the BHA, RCA and The Horsemen's Group. The strong collaborative approach will continue and will help racing secure a full resumption and recovery.

Industry Goals

- 1. To secure a full resumption of race-day activity, with the best possible ownership and spectator experience, and the maximum attendance possible**
- 2. To maintain the health and safety of participants, staff and all those attending race-day meetings by continuing the safe return of racing and adherence to strict controls on social distancing**
- 3. To put in place a fixture list and race programme for 2021 that balances increasing revenues with the wellbeing of participants and staff and takes account of the horse population.**
- 4. To reduce the industry's cost-base and be agile where new opportunities to increase revenue can be seized and mitigate the impact of recession, including the pursuit of immediate Levy reform.**
- 5. To seek to maximise prize money for 2021 balanced against the financial constraints of stakeholders and the sport's projected revenues, through new commercial agreements between Racecourses and Horsemen.**
- 6. To agree a spending plan for central funds that best supports racing's recovery.**
- 7. To retain key investors, including existing owners, and reform rules for syndicates and clubs to protect members and increase their appeal to potential owners.**
- 8. To present a safe, high-quality and consistent offer to race-day and betting customers based on a thorough understanding of their changing needs and behaviours due to COVID.**
- 9. To put in place foundations for a longer-term sustainable recovery for British racing**

The Recovery Plan: Responsibility – Industry COVID 19 Group

WORKSTREAMS

Resumption & Racedays – Brant Dunshea BHA, David Armstrong RCA

This stream is responsible for the first two goals, maintaining health and safety on race-days and securing a full resumption offering the best experience possible for owners and crowds. It will also manage racing's response to the changing public health requirements such as local lockdowns and more widespread testing as this becomes available.

It includes a series of pieces of work which are already underway with individual leads listed.

- Return of Owners – BHA – Richard Wayman (+RCA, ROA, NTF)
- Return of Crowds – RCA – David Armstrong (+BHA medical and public affairs)
- Maintenance of protocols & infection control e.g. screening & contact tracing - BHA
- Local Lockdown/Second Wave Planning – BHA, RCA, COVID19 Group

Finance – Richard Wayman, BHA, Charlie Liverton, THG, David Armstrong, RCA

This stream is responsible for goals 3, 4, 5 and 6. Chief Executives from the BHA's Member bodies are all involved, working alongside the Chief Executives of the Horserace Betting Levy Board and the Racing Foundation. This stream will develop any further financial submissions to government e.g. Levy Reform and seek approval from the Members Committee as required.

- Track financial & other leading commercial indicators for the racing industry
- Continue ongoing economic impact assessment to quantify revenues & costs
- Reduce the industry's cost-base where possible
- Develop fixture list and race programme for 2021 drawing on work carried out on racing's commercial model.
- Agree 2021 use of central resources (HBLB & RF) to support prize money and provision of industry services e.g. regulation, training, equine welfare, marketing
- Develop a refreshed financial case for Levy Reform
- Engage government and pursue all other options that support the financial health of racing, including Brexit, Gambling and Business Rates Reviews.
- Review hardship funding continuously and respond to needs as appropriate

Owners & Key Investors – Charlie Liverton, ROA, Nick Rust, BHA.

This workstream has been added as racing focuses on recovery to recognise the importance of retaining owners and key investors (Goal 7). The Racehorse Owners Association is leading the work on owners, with BHA also supporting and engaging key investors, a number of whom are both owners and breeders. The NTF and TBA will be involved where appropriate.

The ROA was given the task in 2017 of developing a strategic ownership plan. The work has been led by Charlie Liverton, the ROA's Chief Executive and is being finalized prior to approval by Members. It will be published in the coming weeks. Urgent measures to retain owners will be implemented immediately. The work in this stream is to:

- Establish the immediate and longer-term impact on ownership
- Develop and implement a short-term action plan for ownership retention and attraction, led by the ROA
- Reform regulation of syndicates and racing clubs to enhance their growth potential
- Support engagement to retain key investors
- Publish Industry Ownership Strategy following agreement by Members

Customers – Rod Street, GBR, David Armstrong, RCA

This workstream is responsible for Goal 8, which is focused on attracting spectators as it becomes possible for them to return to the racecourse. There is also a determination to ensure that racing is relevant to as wide an audience as possible, which includes owners and sponsors as well as racegoers.

- Track impact on views of customers on racing & their willingness to return
- Support RCA and racecourses in customer communications on return of crowds
- Market opportunities to attend racing when these become available
- Agree narrative and plan central customer attraction activity campaign in 2021

People – Dawn Goodfellow, Racing Welfare, Will Lambe, BHA

The industry committed to support all those working in racing in the first operational plan and drew up a package of support for those facing hardship. This will be kept under review and the workstream will ensure the needs of racing's people are considered at all times. The employers' organisations, plus NARS and the PJA will be involved when appropriate.

- Track impact of crisis on racing's staff and all those who work in it
- Ensure hardship funding needs are understood and prepared for
- Get well-being strategy signed off by stakeholders and members
- Complete workforce planning estimate for 2021 to inform funding decisions on recruitment, training and retention
- Ensure the impact of fixture programme in 2021 on work/life balance is considered and the reported benefits of the COVID19 race programme are maintained

Equine Welfare – David Sykes, BHA

The industry has also committed to look after the health and welfare of our horses and has created a Racing Relief Fund to provide financial support if a horse's welfare is at risk.

- Track impact of crisis on equine welfare
- Ensure Racing Relief Fund – due to be launched shortly – provides effective support to protect equine welfare when owners face hardship
- Ensure equine surveillance and testing services provided by the Animal Health Trust are maintained under appropriate funding and ownership arrangements

Foundations for Prosperity - Executive Committee, Nick Rust, BHA, David Armstrong, RCA, Charlie Liverton, THG

The BHA's Members Committee is commissioning immediate work to model financial scenarios and inform longer-term strategic choices for racing. This work will inform the financial case for Levy reform and other submissions to government charting the ongoing economic impact of COVID and recession. The financial work will be aligned to ongoing work to enhance racing's relevance and reputation in the medium to long-term.

- Direct immediate work on financial scenarios to inform longer-term strategic choices
- Ensure work supports immediate case to government on Levy Reform and any other measures to mitigate the impact of COVID and recession
- Ensure work is aligned to ongoing work to on racing's relevance to customers and fans led by GBR and the industry's Joint Communication Group
- Align to longer-term enabling work to demonstrate racing's social responsibility and purpose. This includes the Horse Welfare Strategy, socially responsible gambling, community engagement and education, diversity & inclusion and environmental sustainability.

Enablers – Communications, Government Engagement, Medical & Governance

- Ensure specialist advice and sufficient resource is available to the COVID19 Group
- Engage industry and stakeholders in the Recovery Plan and its progress
- Engage British and devolved governments in support of the plan
- Ensure decisions are taken with right involvement of the BHA and its Members

Industry Group Membership

Nick Rust/CEO BHA	Richard Wayman BHA
David Armstrong RCA	Will Lambe BHA
Charlie Liverton ROA	David Sykes BHA
Rupert Arnold NTF	Martin Fewell BHA
Paul Struthers PJA	Dawn Goodfellow Racing Welfare
Claire Sheppard TBA	Dr Jerry Hill BHA
Rod Street GBR	Iain McNeil RCA
Brant Dunshea BHA	Caroline Davies RCA

Occasional attendees - Alan Delmonte, Rob Hezel, Ross Hamilton, Alison Enticknap

Resumption and Racedays Group

Brant Dunshea BHA (Workstream Co-Lead)	Charlie Liverton ROA
David Armstrong RCA (Workstream Co-Lead)	George Noad NTF
Caroline Davies RCA	Dale Gibson PJA
Holly Cook RCA	
Dr Jerry Hill BHA	
Richard Linley BHA	
Paul Johnson BHA	
James Giblett BHA	
George McGrath NARS	
Project Support	